

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1610

AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-10.2-3-6.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.3. (a) Notwithstanding any other provision in this article, IC 5-10.3, or IC 5-10.4, a member who:**

- (1) has not attained vested status in the fund;**
- (2) is not an active participant in the fund; and**
- (3) is an active participant in a retirement plan established under IC 36-8-10-12;**

may suspend membership in the fund and transfer the entire amount in the member's annuity savings account in accordance with the member's purchase of service credit under IC 36-8-10-12.5.

(b) A member who makes a transfer under IC 36-8-10-12.5 from the member's annuity savings account shall provide notice of the transfer on a form provided by the board.

(c) A transfer under IC 36-8-10-12.5 is irrevocable.

(d) A member who makes a transfer under this section waives all credit for service in the fund.

SECTION 2. IC 36-8-10-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 12.5. (a) This section applies after**

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June 30, 2009, to active employee beneficiaries in a retirement plan established under this chapter.

(b) As used in this section, "public retirement fund" refers to any of the following, either singly or collectively:

- (1) The public employees' retirement fund (IC 5-10.3).
- (2) The Indiana state teachers' retirement fund (IC 5-10.4).
- (3) The state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement fund (IC 5-10-5.5).
- (4) The state police pension trust (IC 10-12).
- (5) The 1977 police officers' and firefighters' pension and disability fund (IC 36-8-8).
- (6) A retirement plan established under this chapter by a department other than the department that employs the employee beneficiary who desires to purchase service credit under this section.

(c) Subject to subsection (j), if an employee beneficiary:

- (1) has not attained vested status in; and
- (2) is not an active participant in;

a public retirement fund other than the retirement plan established under this chapter by the department that employs the employee beneficiary, the employee beneficiary may make a transfer described in subsection (d) for the amount in the public retirement fund that is attributable to contributions made by or on behalf of the employee beneficiary (plus credited earnings).

(d) An employee beneficiary described in subsection (c) may transfer the amount described in subsection (c) to a retirement plan established under this chapter by the department that employs the employee beneficiary in order to purchase service credit in the retirement plan for the employee beneficiary's prior service in a public retirement fund.

(e) A transfer under subsection (d) is irrevocable. A transfer cannot exceed the amount necessary to fund the service purchase under subsection (d). Any amounts in the public retirement fund after the transfer shall remain subject to the public retirement fund's provisions.

(f) If an employee beneficiary makes a transfer under subsection (d), the employee beneficiary is entitled to receive service credit for the transferred amount equal to the service credit that would be purchased by a contribution of the same amount computed at the actuarial present value for an individual whose salary or wages and age would be the same as the salary or wages and age of the

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employee beneficiary on the transfer date.

(g) Before a transfer is made under this section, the employee beneficiary must complete any forms required by:

- (1) the public retirement fund from which the employee beneficiary is requesting a transfer; and
- (2) the retirement plan established under this chapter to which the transfer is being made.

(h) An employee beneficiary who makes a transfer under subsection (d) must have at least the number of years of credited service necessary to receive an unreduced pension benefit in a retirement plan established under this chapter by the department that employs the employee beneficiary before the employee beneficiary may receive a benefit based on the amount transferred under this section.

(i) An employee beneficiary who:

- (1) makes a transfer under subsection (d); and
- (2) terminates employment before satisfying the eligibility requirements necessary to receive a monthly pension;

may withdraw the transferred amount, plus accumulated interest, from the retirement plan established under this chapter by the department that employs the employee beneficiary after submitting to the retirement plan established under this chapter a properly completed application for a refund. If a withdrawal of the transferred amount occurs under this subsection, the benefit payable to the employee beneficiary from the retirement plan established under this chapter shall be adjusted as necessary to ensure that the plan remains actuarially cost neutral to the county.

(j) The department may deny an application to transfer an amount under this section if the transfer would exceed the limitations under Section 415 of the Internal Revenue Code.

(k) If an employee beneficiary makes a transfer under subsection (d), the employee beneficiary waives all credit for the employee beneficiary's service in the public retirement fund from which the amount is transferred or paid.

(l) To the extent permitted by the Internal Revenue Code and applicable regulations, a retirement plan established under this chapter may accept, on behalf of an employee beneficiary who is purchasing permissive service credit under this section, a rollover of a distribution from any of the following:

- (1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.
- (2) An annuity contract or account described in Section 403(b)

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of the Internal Revenue Code.

(3) An eligible plan that is maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.

(4) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.

(m) To the extent permitted by the Internal Revenue Code and applicable regulations, a retirement plan established under this chapter may accept, on behalf of an employee beneficiary who is purchasing permissive service credit under this section, a trustee to trustee transfer from any of the following:

(1) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.

(2) An eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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HEA 1610 — Concur+

